

COMMITTEE LANGUAGE FOR FISCAL YEAR 2001

AV-8B (V/STOL) HARRIER ACCOUNT: APN

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
(10)282,132	(10)282,132	(10)282,132	(10)262,196	(10)226,646	(14)302,196	(10)262,196

AV-8 SERIES ACCOUNT: APN

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
40,639	40,639	120,039	120,039	40,639	81,139	120,639

AV-8B AIRCRAFT ENG-DEV ACCOUNT: RDT&E, Navy

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
38,061	38,061	38,061	24,961	38,061	24,961	24,961

HASC LANGUAGE (Rpt. 106-616)

Page 67, Aircraft Procurement, Navy

COMBAT AIRCRAFT						
001 AV-8B (V/STOL) HARRIER (MYP)	10	282,132		10	282,132	
001 LESS: ADVANCE PROCUREMENT (PY)	-	(55,486)		-	(55,486)	
002 ADVANCE PROCUREMENT (CY)	-	-		-	-	
003 F-14 (SEE EIGHTEEN HARBET AIRCRAFT)	-	-		-	-	

Page 68, Aircraft Procurement, Navy

ARC-164						
021 AV-8 SERIES	-	40,639		[+2,000]	-	[+2,000]
022 F-14 SERIES	-	30,401		-	-	40,639

Page 187, RDT&E, Navy

0604212N	82	OTHER HELO DEVELOPMENT		24,393		24,393
0604214N	83	AV-8B AIRCRAFT - ENG DEV		38,061		38,061
0604215N	84	STANDARD DEPLOYMENT		-		-

Page 71 and 72, Items of Special Interest

AV-8B

The budget request contained \$226.6 million to procure 10 re-manufactured AV-8B aircraft. The AV-8B remanufacture program combines a new fuselage, a power plant, and radar with other mission systems upgrades to produce a significantly more capable aircraft at 70 percent of the cost of a new aircraft. The committee notes that the Department of the Navy plans for fiscal year 2001 to be the last year for procurement of remanufactured AV-8Bs. The committee recognizes that the AV-8B performs the close air support (CAS) mission, which is critical to the successful employment of Marine forces. Additionally, the committee believes that the short take-off, vertical land (STOVL), radar-equipped AV-8B will remain an important component of CAS capability until its replacement by the Marine Corps' joint strike fighter (JSF) STOVL variant, currently in the demonstration

and validation phase of its development.. Since the committee understands that the Marine Corps' JSF variant is currently planned for its initial operational capability in fiscal year 2008, it expects the Secretary of the Navy to ensure that the Marine Corps has procured sufficient STOVL, radar-equipped AV-8Bs prior to discontinuing the

SASC LANGUAGE (Rpt. 106-292)

Page 59, Aircraft Procurement, Navy

Ln No	Title	Request		Change		Recommnd	
		Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, NAVY						
	COMBAT AIRCRAFT						
	COMBAT AIRCRAFT						
1	AV-8B (V/STOL)HARRIER (MYP)	10	282,132	-	-	10	282,132
1	LESS: ADVANCE PROCUREMENT (PY)	-	(55,486)	-	-	-	(55,486)
2	ADVANCE PROCUREMENT (CY)	-	-	-	-	-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	42	2,923,960	-	-	42	2,923,960

Page 60, Aircraft Procurement, Navy

20 EA-6 SERIES	-	203,102	-	21,000	-	224,102
21 AV-8 SERIES	-	40,639	-	79,400	-	120,039
22 F-14 SERIES	-	30,481	-	-	-	30,481

Page 165, RDT&E, Navy

0604214N	83 AV-8B AIRCRAFT - ENG DEV	38,061	-	38,061
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Page 88, Aircraft Procurement, Navy

AV-8B precision targeting pod

The budget request included \$40.6 million for modifications to the AV-8B aircraft. The budget request included no funding for Litening II precision targeting pods, although they were included on the Marine Corps unfunded priorities list. The Litening II is a precision targeting system which allows the aircraft to acquire targets and deliver precision munitions. The Marine Corps currently has nine targeting pods on contract, funded through the Emergency Supplemental Appropriations Act for Fiscal Year 1999. Operation Allied Force demonstrated a continuing requirement for precision weapons and aircraft platforms capable of delivering them. The committee recommends an increase of \$79.4 million to procure 47 Litening II precision targeting pods, a total authorization of \$120.0 million in AV-8B aircraft modifications.

CASC LANGUAGE (Rpt. 106-945)

Page 578, Aircraft Procurement, Navy

[illegible]

Page 579, Aircraft Procurement, Navy

20 EA-6 SERIES	-	203,102	-	226,102	-	206,402	-	(16,800)	-	186,302
21 AV-8 SERIES	-	40,639	-	40,639	-	120,039	-	79,400	-	120,039
22 F-14 SERIES	-	30,481	-	30,481	-	30,481	-	-	-	30,481

Page 667, RDT&E, Navy

0604214N	83	AV-8B AIRCRAFT - ENG DEV	38,061	38,061	(710,000)	-	-
AV-8B	84	STANDARD DEVELOPMENT	06,914	06,914	06,914	(13,100)	06,914

Page 649, Legislative Provisions Not Adopted

Remanufactured AV-8B aircraft

The budget request included \$282.1 million for the procurement of 10 remanufactured AV-8B aircraft.

The House bill would authorize the budget request.

The Senate amendment contained a provision (sec. 126) that would authorize an increase of \$92.0 million for the procurement of four AV-8B aircraft.

The Senate recedes on the provision.

The conferees agree to authorize an increase of \$35.6 million for AV-8B aircraft, as follows:

- (1) an increase of \$52.0 million for the procurement of two additional remanufactured AV-8B aircraft;
- (2) a decrease of \$12.0 million for non-recurring cost; and
- (3) a decrease of \$4.4 million for cost growth in production engineering support.

HAC LANGUAGE (Rpt. 106-644)

Page 109, Aircraft Procurement, Navy

AIRCRAFT PROCUREMENT, NAVY						
COMBAT AIRCRAFT						
AV-8B (V/STOL)HARRIER (MYP).....	10	226,646	10	226,646	--	---
F/A-18E/F (FIGHTER) HORNET (MYP).....	42	2,818,553	42	2,818,553	--	---

Page 109, Aircraft Procurement, Navy

MODIFICATION OF AIRCRAFT						
EA-6 SERIES.....	--	203,102	--	203,102	--	---
AV-8 SERIES.....	--	40,639	--	40,639	--	---
F-14 SERIES.....	--	30,481	--	30,481	--	---

Page 170, RDT&E, Navy

OTHER HELO DEVELOPMENT.....	24,393	38,393	+14,000
AV-8B AIRCRAFT - ENG DEV.....	38,061	38,061	---
STANDARDS DEVELOPMENT.....	95,814	103,814	+8,000
MILITARY MISSION HELICOPTER UPGRADE DEVELOPMENT.....	40,000	30,000	-10,000

Page 8, Tactical Fighter Aviation Issues, Joint Strike Fighter (JSF)

The Joint Strike Fighter is a critically important program for the Marine Corps, Air Force and Navy. As currently planned it will be the largest single defense acquisition program in the history of the DoD. The Committee fully

understands the integral part that this program plays in all three Services' tactical fighter modernization plans. It also believes that the JSF, should it live up to its technological promise and cost goals, represents the best option for replacing aging Navy and Marine Corps F/A-18 and fighters, as well as Air Force F-16s. In short, the Committee wants this program to succeed. The fiscal year 2001 budget request for JSF was premised on completion of the program's concept demonstration/validation phase by March 2001. By this date, the program was expected to be ready for transition into engineering and manufacturing development (EMD), to be conducted by one of the two competing contractor teams following a "winner-take-all" source selection decision. However delays in the start of the JSF flight demonstration program, as well as technical problems which may hinder demonstration of critical JSF design characteristics, have made a March 2001 completion date for concept demonstration increasingly unlikely.

Moreover, the Department of Defense has been actively assessing the effects of the "winner-take-all" acquisition strategy on the defense industrial base. It is possible that the Department may, in a matter of weeks, announce a revised acquisition strategy involving some degree of teaming or cooperation between what are currently two opposing industrial teams, each with distinctly different design concepts, hardware, subcontractors and vendor bases.

Should such a revision to the acquisition strategy occur, logic dictates that the JSF development program and budget plan will require adjustments, perhaps even major changes, to those currently assumed in the fiscal year 2001 budget submission and the existing Future Years Defense Plan. The Committee believes Congress must be in a position to carefully consider, and respond if necessary, to any proposed revisions in the JSF's acquisition strategy—especially in light of the potential schedule and cost impacts. Additionally, the current JSF program schedule and the fiscal year 2001 budget request both presume a source selection and EMD contract award will be completed by March 2001. As stated above, technical and schedule problems make it unlikely this milestone will be met.

The Committee also notes that this projected March 2001 date is just two months into the beginning of a new Administration and Congress. The Committee believes there must be sufficient time for the next Administration to formulate its own plans for the JSF in the context of its own overall defense program. In this regard, a March 2001 decision point involving a program of this importance is clearly unrealistic.

Therefore, the Committee recommends the following actions:

(1) The Committee bill includes total fiscal year 2001 funding for the Joint Strike Fighter of \$706,606,000, a net decrease of \$150,000,000 from the budget request. Within this total the Committee has provided \$411,101,000 for concept demonstration, an increase of \$150,000,000 over the budget request; and \$295,502,000 for engineering and manufacturing development (EMD), a decrease of \$300,000,000 from the budget request. These changes have been allocated to the appropriate program elements in the Navy and Air Force research, development, test and evaluation accounts. The effect of these changes is to provide sufficient funding to extend the concept demonstration/validation phase from March to June 2001; and to delay initiation of entry into the engineering and manufacturing development phase of the JSF program by three months, from March to June 2001.

(2) To ensure that Congress is kept apprised of the status of the JSF program, the Committee bill includes a general provision (Section 8118) which requires that 60 days following enactment of the Department of Defense Appropriations Act, 2001, the Secretary of Defense shall submit a report to the congressional defense committees describing what, if any changes have been made to the JSF acquisition plan as a result of the Secretary's review of the "winner-take-all" strategy. If applicable, this report shall address any contemplated changes in the JSF development schedule and funding profile resulting from a revised acquisition strategy. The Secretary is also to report on a number of issues regarding the technical progress made towards achieving planned JSF performance characteristics.

(3) This provision also requires submission of a similar report from the next Administration's Secretary of Defense by March 30, 2001, which will provide Congress with updated information regarding the JSF demonstration phase as well as a detailed explanation of the next Administration's plans for this program. The provision also restricts the obligation of funds for the EMD phase of the JSF program until June 1, 2001, and

further conditions the release of funds on a certification from the Secretary that the JSF EMD program has been fully funded by each of the participating services in the Future Years Defense Plan.

SAC LANGUAGE (Rpt. 106-298)

Page 60, Aircraft Procurement, Navy

AIRCRAFT PROCUREMENT, NAVY						
COMBAT AIRCRAFT:						
AV-8B (V/STOL)HARRIER (MYP)	10	226,646	14	302,196	+ 4	+ 75,550
AV-8B (V/STOL)HARRIER (MYP) (AP-CY)						
F/A-18E/F (FIGHTER) HORNET (MYP)	42	2,818,553	42	2,775,953		- 42,600
F/A-18E/F (FIGHTER) HORNET (MYP) (AP-CY)						

Page 61, Aircraft Procurement, Navy

EA-6 SERIES	203,102	186,302	- 16,800
AV-8 SERIES	40,639	81,139	+ 40,500
F-14 SERIES	30,481	31,481	+ 1,000

Page 62, Committee Adjustments

Item	2001 budget estimate	Committee recommendation	Change from budget estimate
AV-8B (V/STOL)HARRIER (MYP)	226,646	302,196	+ 75,550
Four (4) Additional AV-8B Modifications		92,000	+ 92,000
Non-recurring Cost		- 12,011	- 12,011
Production Engineering Support Cost Growth		- 4,439	- 4,439

Page 62, Aircraft Procurement, Navy

Premature ICAP III Training System		- 16,800	- 16,800
AV-8 SERIES	40,639	81,139	+ 40,500
Litening Targeting Pods		40,500	+ 40,500
F-14 SERIES	30,481	31,481	+ 1,000

Page 110, RDTE, Navy

Collaborative Integrated Information Technology		4,000	+ 4,000
AV-8B Aircraft—Eng Dev	38,061	24,961	- 13,100
Laser Sport Tracker		- 13,100	- 13,100
MULTI MISSION HELICOPTER UPGRADE DEVELOPMENT	60,046	70,046	+ 10,000

Page 113, Aircraft Procurement, Navy

82 OTHER HELO DEVELOPMENT	24,393	24,393	
83 AV-8B AIRCRAFT—ENG DEV	38,061	24,961	- 13,100
84 STANDARDS DEVELOPMENT	95,814	95,814	

Contains no language.

CAC LANGUAGE (Rpt. 106-754

Page 166, Aircraft Procurement, Navy

AIRCRAFT PROCUREMENT, NAVY				
COMBAT AIRCRAFT				
AV-8B (V/STOL)HARRIER (MYP).....	226,646	226,646	302,196	262,196
E/A-18E/F (FIGHTER) HARRIER (MYP).....				

Page 167, Aircraft Procurement, Navy

EA-6 SERIES.....	603,106	603,106	100,000	100,000
AV-8 SERIES.....	40,639	40,639	81,139	120,639
E-14 SERIES.....	30,481	30,481	31,481	31,481

Page 168, Aircraft Procurement, Navy

	Budget	HAC	SAC	Conference
AV-8B (V/STOL) HARRIER (MYP)	226,646	226,646	302,196	262,196
Two (2) Additional AV-8B Modifications			92,000	52,000
Non-recurring Cost			-12,011	-12,011
Production Engineering Support Cost Growth			-4,439	-4,439
E/A-18E/F (FIGHTER) HARRIER (MYP)				

AV-8 SERIES	40,639	40,639	81,139	120,639
Litening Targeting Pods			40,500	80,000
E-14 SERIES	30,481	30,481	31,481	31,481

Page 238, RDT&E, Navy

OTHER HELO DEVELOPMENT.....	24,393	38,393	24,393	36,393
AV-8B AIRCRAFT - ENG DEV.....	38,061	38,061	24,961	24,961
STANDARDS DEVELOPMENT.....	95.814	103.814	95.814	101.814

Contains no language.